

TERMS AND CONDITIONS 2023

General

The instructions below have been composed by Sandfirden Technics B.V., a company registered at the Dutch Chamber of Commerce under number 37033714, (hereinafter named Supplier) for design check, installation check, applicable rates, notification and cancellation of commissioning assistance, commissioning and warranty of new generator sets, engines and steering gears (hereinafter named products), as delivered by the Supplier.

For sales the Corporate Conditions BOVAG Energy Systems and overhaul applies.

The supplier reserves the right to alter the delivery time depending on the progress of a pandemic virus. If suppliers performance will be affected due to a pandemic virus, a written notice shall be given to the purchaser without undue delay. Supplier shall have the right to suspend its contractual performance and be released from any liability caused due to suppliers non-performance attributable to the implications of the pandemic virus. Either Party shall be entitled to terminate the Contract by notice in writing to the other Party if performance of the Contract has been suspended for more than 6 months.

Incoterms 2010 applies for the responsibility of the Purchaser and the Supplier for the delivery of the products.

These conditions can be downloaded from our website www.sandfirden.nl, but can also be sent on request.

Description

Design check: Assessment of the design drawings and schematics of connecting pipe work and electrical cabling associated with the scope of delivery as issued by the Purchaser.

Installation check: Verification of correct erection and installation of Suppliers scope of delivery, followed immediately by commissioning work. However, the Purchaser is responsible for the erection and installation work.

Commissioning: Includes the assistance of start-up and testing of the product delivered by the Supplier, applicable Class acceptance testing and the draw up of an Installation Report. Sensor test after delivery of the product, in addition to what is described in the FAT report, is excluded. Warranty will start and only be granted after the Installation Report has been approved and signed by an authorized person.

Preparations for Suppliers activities

The Purchaser must have made the following preparations, before the activities by the employee of the Supplier, can commence;

- The delivered product is erected and installed in accordance with Suppliers installation instructions and is ready for use.
- The electrical installation is hooked-up to the extent necessary for commissioning, is checked and released for commissioning by the Purchaser.
- The systems are filled with the recommended lubrication oil, coolant medium, inhibitors and all pipes are clean and connected. Fuel as specified.
- For commissioning of generator sets, sufficient load must be available.

- An electrical installation engineer must be available on behalf of the Purchaser during the whole period of commissioning.
- First start-up of the product supplied by the Supplier, is only allowed, after approval and under supervision of the service engineer of the Supplier.
- A copy of the asbestos inventarisatie report prepared by a SC-540 certified company must be available for the to be repaired and/ or to be serviced object, according legal framework Avb 2005.

If the above conditions are not fulfilled, all resulting costs such as waiting hours and assistance will be charged to the Purchaser according to the applicable rates.

The Purchaser remains responsible for the installation under all circumstances.

Notification and cancellation of commissioning assistance

For the purpose of planning, the Purchaser should invite the Supplier by at least;

- 14 days before the desired commissioning date, in case the commissioning should take place outside the Netherlands.
- 7 days before the desired commissioning date, in case the commissioning should take place inside the Netherlands.

The invitation must be sent to the Commissioning Coordinator of the Supplier by e-mail. The following e-mail address should be used service@sandfirden.nl. In case of cancellation or delay, the Commissioning Coordinator of the Supplier must be informed by e-mail for at least 3 days before the scheduled desired commissioning date.

All costs for the Supplier as result from such cancellation must be compensated by the Purchaser.

Warranty

3000 running hours or twelve (12) months after start-up, but not beyond eighteen (18) months after delivery from Suppliers plant, whichever occurs first.

In case the product as delivered by the Supplier has been started up without the approval of the Supplier and the approved Installation report is not available, the warranty as agreed can be waived by the Supplier.

This warranty is valid for the product, which has been approved by an authorized person. The warranty covers only defects due to possible deficiencies in materials or workmanship. It does not, however, cover damages or defects that according to Suppliers opinion or obtained information have been caused by inappropriate, careless or irregular use, incorrect or unsatisfactory maintenance or improper storing, repair or by natural wear and tear.

As basic information, the warranty claim shall specify the make, description, type and serial number of the machine, as well as the address of the Purchaser or holder of the machine in which the product is installed and Suppliers project number. The claim

shall also clearly specify the date of the failure and the reference number(s) of required parts. The reference number of the failed parts should be clearly marked. The warranty claim has to include a brief description of the failure.

Pictures of damage(s) must be accompany the claim. Claims of leakages will not be handled without clear pictures. When the Supplier, based on the information it has been provided with, deems that it is responsible for fault or damage, the purchaser can order a replacement for the defective part or when mutually agreed, the supplier will repair the defective part on location. The Purchaser must send the failed parts to the Supplier. Failure to comply, could result in waving future warranty claims by the Supplier.

The Supplier shall meet the costs of defective materials and labour for the repairs. This warranty shall cover all material and manufacturing defects on components and parts delivered by the Supplier and on those components delivered and/ or fitted at repair by the Supplier.

Upon approved warranty repair, the Supplier will meet the costs of other components delivered by the Supplier, which cannot be re-used due to the damage they have sustained in connection with damage covered by the warranty.

If the product delivered by the Supplier must be repaired on site, the Supplier shall compensate round-trip costs of up to three (3) hours travel time for one mechanic during normal working hours and compensate a total distance of up to 200 km from Suppliers plant, which is located in Den Oever the Netherlands, or from another by Suppliers authorized service point.

Warranty requests must be sent to the warranty department of the Supplier, by e-mail. The following e-mail address must be used warranty@sandfirden.nl

As soon as the warranty department has decided, that the case contains warranty. The customer will receive login details for the Sandfirden warranty portal.

A claim with the status ' open ' will be handled within three working days after the complaint date. In case the supplier asks to adjust the claim this has to be done within 14 working days. Breakdown costs are subject to a limit of EUR 2.500,00 The total cost of: Mechanic's travel time, Mechanic's travel overtime and Workshop service vehicle costs cannot exceed this amount!

Out of Network' Repairs

Where a Product is supplied to or operated by a customer in a country where no Sandfirden Technics network exists, it may be necessary to make special arrangements to provide support when warranty repairs are required.

- Total maximum cost of travel is EUR 2.500.
- Mechanic's travel costs (e.g. air fares) are claimable up to a maximum of EUR 1.000.
- Mechanic's accommodation costs claimable up to a maximum of 3 nights, with a limit of EUR 150 per night.
- Freight of parts to the failure location is claimable up to a maximum of EUR 500.

Price increase will be invoiced before delivery.

Warranty procedures

Defective parts

In case of a defective part, the purchaser can order the part from our warehouse. The defective part should be returned as described in section E2. of the warranty manual. If a defective part is covered and accepted under warranty, the invoice for the defective part will be credited.

Repairs

Condition repairs under warranty

If the supplier determines, that the repair performed is not covered by its warranty conditions. The costs incurred will be invoiced.

Applicable rates for commissioning and warranty not included in the scope of supply

| Hour rate | Service engineer | Support- and application engineer |
|------------------------|------------------|-----------------------------------|
| Normal 8 hrs | € 80,00 | € 120,00 |
| First 2 / h over time | € 100,00 | € 150,00 |
| More > 2 /h over tim | € 108,00 | € 162,00 |
| Saturday | € 108,00 | € 162,00 |
| Sunday | € 128,00 | € 192,00 |
| Overnight compensation | € 62,00 | € 62,00 |

Other expenses

| | |
|--------------------|--------------------|
| Company owned cars | € 0,95 k/m |
| Rental cars | Actual costs + 10% |
| Travel | Actual costs + 10% |
| Lodging | Actual costs + 10% |

Working day definition

In Europe, any day, except Saturday and Sunday and outside Europe, any day except Sunday.

Indexation of pricing

For deliveries whose delivery date is more than 2 years after the order date, the prices may be indexed under certain circumstances. The index used for this is the CPI index of the independent CBS (Central Bureau of Statistics).

If 6 months before the agreed delivery time the CPI index increase is greater than 5% compared to the index figure on the order date, a price increase will be charged in accordance with the following table:

| Index difference above 5% | Price increase |
|---------------------------|----------------|
| 3%-4% | 2% |
| 5%-6% | 3% |
| 7%-8% | 4% |
| 9%-10% | 5% |
| 11%-12% | 6% |
| 13%-14% | 7% |
| 15%-16% | 8% |
| 17%-18% | 9% |
| 19%-20% | 10% |